THE HON'BLE SRI JUSTICE C.V. RAMULU

Thursday, 6th July,2006

W.P.No.13363 of 2001

Between :

G. Kishore and others … Petitioner

and

The Registrar of Cooperative Societies,
A.P., Hyderabad & others … Respondents

THE HON'BLE SRI JUSTICE C.V. RAMULU

W.P.No.13363 of 2001

ORAL ORDER:

Heard both sides.

The Writ Petition is misconceived. The general body of the Vyuuru Sugar Factory Cooperative Stores Limited, Vuyyuru held on 15-3-2001 has resolved, under Resolution No.5, to request the authorities to wound up the affairs of the Stores and cancel the registration, as the Management of K.C.P. Sugars and Industrial Corporation Limited, Vuyyuru is not providing financial assistance to the Stores to run the business as was done previously due to weak position of the factory and as there are no general funds to the Stores since its inception. The general body passed unanimous resolution for taking action to liquidate the affairs of the Stores. The Chairman in his letter dated 22-3-2001 also reported that the Stores sustained loss of Rs.18,17,060.75 ps as on 31-3-2000 and there are no possibilities to recoup the loss and requested to liquidate the Stores. Under these circumstances, the authorities by invoking Section 64(2) of the A.P. Cooperative Societies Act,1964 already wound up the Stores.

Now, the Writ Petition is filed by four members of the Stores stating that no notice, as required under Section 64(2) of the Act was served on the Stores; therefore, the winding up proceedings initiated by the authorities are arbitrary and illegal. When the general body itself has passed an unanimous resolution, the question of issuing any notice as required under Section 64(2) of the Act does not arise.

Further, the petitioners have not challenged the resolution passed by the majority members of the Stores nor they have any authority to file this Writ Petition taking up the cause on behalf of the Stores. The Writ Petition is, therefore, devoid of merit and liable to be dismissed.

Accordingly, the Writ Petition is dismissed. No order as to costs.

06-7-2006

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